

FILED

SEP 19 2023

U.S. DISTRICT COURT- WVND
MARTINSBURG, WV 25401

UNITED STATES OF AMERICA,

Criminal No.

3:23cv66

v.

JOSEPH MICHAEL BEACH,
Defendant.

Violation: 18 U.S.C. § 641
 18 U.S.C. § 1001
 18 U.S.C. § 1343
 38 U.S.C. § 6101(a)

INDICTMENT

The Grand Jury charges that:

COUNT ONE

(Misappropriation by Fiduciary)

The United States Department of Veterans Affairs (the “VA”) administers financial programs to support veterans of military service. For veterans deemed incompetent to manage their financial affairs, the VA will pay benefits through guardians or fiduciaries appointed either by a state probate court or by the VA. The fiduciary must administer the funds consistent with the VA’s regulations and for the benefit of the beneficiary.

From on or about December 29, 2017, to on or about August 6, 2021, in Berkeley County, in the Northern District of West Virginia, defendant **JOSEPH MICHAEL BEACH**, being a fiduciary, as defined in Title 38, United States Code, Section 5506, for the benefit of a beneficiary under the laws administered by the Secretary of the United States Department of Veterans Affairs, did willfully and intentionally use and exchange for other funds and property, where such use and exchange was not

authorized by law, and embezzle and misappropriate any such money and property derived therefrom in whole and in part, where such money and property came into such fiduciary's control in the execution of such fiduciary's trust and under color of such fiduciary's office and service as a fiduciary, that is, the defendant **JOSEPH MICHAEL BEACH** embezzled or misappropriated VA disability compensation benefits entrusted to him as a fiduciary for a beneficiary.

In violation of Title 38, United States Code, Section 6101(a).

COUNT TWO

(Wire Fraud)

1. The Grand Jury realleges and incorporates by reference the factual allegations contained in Count One of this Indictment as though fully set forth herein.

2. Beginning in or about 2017 and continuing until in or about August of 2021, defendant **JOSEPH MICHAEL BEACH** knowingly devised, intended to devise, and participated in a scheme to defraud the United States, and others, by concealing and converting for his own purposes, social security benefits, VA disability benefits, and retirement benefits from the Office of Personnel Management.

3. It was part of the scheme that **JOSEPH MICHAEL BEACH** would receive funds intended for or for the benefit of his father, L.B., into a bank account under the materially false premise that the funds would be used as required. Upon receipt, **JOSEPH MICHAEL BEACH** would use the funds for his own personal benefit.

4. It was part of the scheme that **JOSEPH MICHAEL BEACH**, in response to a 2020 request by the VA for an accounting of the expenditure of funds, knowingly fabricated ledgers purporting to depict his use of L.B.'s VA disability benefits in an effort to conceal his misappropriation and to facilitate his continued access to the funds.

5. On or about February 27, 2021, in Martinsburg, in Berkeley County, within the Northern District of West Virginia, for the purpose of executing such scheme and artifice, **JOSEPH MICHAEL BEACH** did knowingly transmit or cause to be transmitted by means of a wire communication in interstate commerce, writings, signs, signals, pictures, and sounds, that is, the defendant **JOSEPH MICHAEL BEACH**, caused to be transmitted a false and fraudulent accounting of **JOSEPH MICHAEL BEACH**'s use of L.B.'s VA disability benefits, by means of an internet transmission originating in the Northern District of West Virginia to a VA Field Examiner in Tennessee.

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

(Theft of Government Property)

From in or about March of 2017 and continuing to in or about September of 2021, in Berkeley County, in the Northern District of West Virginia, defendant **JOSEPH MICHAEL BEACH** did willingly and knowingly steal and purloin social security benefits exceeding \$1,000.00, such funds being property of the United States and its Social Security Administration.

In violation of Title 18, United States Code, Section 641.

COUNT FOUR

(False Written Statement)

On or about February 27, 2021, in Berkeley County, in the Northern District of West Virginia, defendant **JOSEPH MICHAEL BEACH** did willfully and knowingly make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry in a matter within the jurisdiction of the executive branch of the Government of the United States. Specifically, **JOSEPH MICHAEL BEACH** wrote and submitted, or caused to be submitted, a falsified ledger to the Veteran's Administration, purporting to show his use of funds in his capacity as a fiduciary. **JOSEPH MICHAEL BEACH** well knew and believed this ledger to be false and to contain fictitious statements, inasmuch as he created the false writing and document.

In violation of Title 18, United States Code, Section 1001(a)(3).

COUNT FIVE

(False Statement to Federal Agent)

On or about March 3, 2023, in Berkeley County, in the Northern District of West Virginia, defendant **JOSEPH MICHAEL BEACH** did knowingly and willfully make materially false, fictitious, fraudulent statements and representations in a matter within the jurisdiction of the executive branch of the Government of the United States, by claiming that he had spent money placed in his control as a fiduciary to pay off a relative's debts to unknown individuals apparently associated with organized crime. The statements and representations were false because the defendant **JOSEPH MICHAEL BEACH** then and there knew, that he had not made such payments.

In violation of Title 18, United States Code, Section 1001(a)(2).

FORFEITURE ALLEGATION

1. Pursuant to Title 28, United States Code, Section 2461(c), Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7)(A), 1961(1), and Title 21, United States Code, Section 853, the government will seek the forfeiture of property as part of the sentence imposed in this case; that is, the forfeiture of any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of Title 18, United States Code, Sections 1343 including a money judgment in the amount of at least \$277,422.00.

2. Pursuant to Title 28, United States Code, Section 2461(c), the government will seek forfeiture of substitute property up to the value of property subject to direct forfeiture that is not available for forfeiture on account of any act or omission contemplated by Title 21, United States Code, Section 853(p)(1).

A true bill,

/s/ _____
Foreperson

/s/
WILLIAM IHLENFELD
United States Attorney

Eleanor F. Hurney
Assistant United States Attorney

Morgan S. McKee
Assistant United States Attorney